GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA

UNSTARRED QUESTION NO:587
ANSWERED ON:21.11.2007
STRENGTHENING OF PANCHAYATI RAJ
Mandal Shri Sanat Kumar

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether the Government is contemplating to grant more powers to Gram Pradhans for strengthening the Panchayati Raj Institutions in the country;

(b) if so, the details thereof;

(c) whether Government is considering to provide "Gram Pradhan Nidhi" for Gram Pradhans for the development of villages on the lines of "MPLADS";

(d) if so, the details thereof;

(e) if not, the reasons therefor; and

(f) the other steps being taken to strengthen the Panchayati Raj Institutions in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a): No Sir.

(b): Does not arise.

(c): No, Sir.

(d): Does not arise.

(e) & (f): The full details of the steps taken to strengthen Panchayati Raj in the country are to be found in the three-volume, + 2500 page report − The State of the Panchayats − A Mid-term Review and Appraisal placed on the Table of both Houses of Parliament in 23 November 2006. The Institute of Rural Management atAnand (IRMA) have now been commissioned to undertake an independent evaluation and their Report is expected by the first quarter of next year.

Panchayati Raj Institutions can only be strengthened through the actual transfer of the functions devolved upon them in the State Panchayati Raj Acts with the concomitant transfer of funds and functionaries to perform these functions.. The basic constitutional objective of empowerment of Panchayati Raj Institutions is to enable them to function as institutions of self-government. Article 243 G of the Constitution provides for devolution of powers and responsibilities upon Panchayats at the appropriate level, subject to such conditions as may be specified therein, with respect toâ€”

(a) the preparation of plans for economic development and social justice;
(b) the implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule.

However effective devolution to Panchayats requires that they function democratically. The emphasis, therefore, is on the strengthening of Panchayats as institutions as a whole, rather than on the empowerment of the chairperson alone. Therefore empowerment of Panchayats should be accompanied by institutionalizing their democratic functioning.

In order to evolve a national consensus on the strengthening of Panchayati Raj, the Ministry of Panchayati Raj convened Seven Round Tables of State Panchayati Raj Ministers with the Union Minister for Panchayati Raj between July and December 2004. The Round Tables identified through consensus, the effective devolution of functions, finances and functionaries to the Panchayats as a key priority in Panchayati Raj reform. The Second Round table held at Mysore resolved that for the effective implementation of entrusted schemes, Chairpersons must act as Chairpersons-in-council. Subject-related Standing Committees of the Panchayat must be activated so that all elected members of the Panchayat participate in managing all aspects of implementation, from conception to approval, from the calling of tenders to the finalization of vendors and from supervision of on-going works to certifying the issue of utilization certificates. The Gram Sabha should be involved in every stage of the process.These steps would facilitate participative decision-making and instill a sense of collective responsibility in the Panchayat.

The Constitution empowers State legislatures to authorize the Panchayats to levy and collect taxes and for making grants-in-aid to Panchayats from the Consolidated Fund of the States. It also mandates that States shall set up State Finance Commissions to review the financial position of the Panchayats land make recommendations on the distribution of tax proceeds between the State and the Panchayats. In furtherance of these Constitutional provisions, the endeavor of the Ministry of Panchayati Raj is to ensure that funds are devolved to Panchayats in a largely untied fashion, to match the devolution of activities to them. Fund transfers to Panchayats should be without delay or diversion, through providing a separate Panchayat sector window in the budgets of State Governments. Such funds would be utilized in accordance with the collective and participative decisions of the Panchayat concerned as a whole and not be exclusively placed with the Gram Pradhans of the Panchayats.

The Ministry of Panchayati Raj is continuously and closely engaging with the Central Ministries administering the Centrally Sponsored Schemes to ensure that definite roles are assigned to Panchayats at all levels in implementing these schemes. The Ministry has also been holding workshops and conferences in collaboration with Planning Commission to ensure that Planning by all three levels of Panchayats becomes the core of district planning. The Backward Regions Grant Fund programme is implemented on the basis of participative plans prepared from the Grass roots level upwards by the Panchayats at all levels and Urban Local bodies in urban areas, which are then consolidated by the District Planning Committee into the draft development plan of the district.